Chapter 3

Amendments to the Claims

Several claims indicate by the word unchanged that the text of that claim is unchanged. However, the titles were removed as per my interpretation of the patent office's objections. Some of the claims with unchanged text are dependent claims to claim one, and claim one itself was changed.

3.1 Listing of Claims

Claim 1 (Changed) The method of simulating <u>with a computer</u> GFV variables using an Essential RS-VAR. ♠

Claim 2 (Unchanged) The method of claim one wherein there are at least two regimes and at least one parameter relating to a variable in the RS-VAR used to calculate a rate and one parameter relating to a variable in the RS-

VAR used to calculate an equity variable have values that are different in at least two regimes.

Claim 3 (Changed) The method of ~~the foregoing~~ claim 2 wherein at least one of the rates is an interest rate.   ♠

Claim 4 (Changed) The method of claim one of simulating a GFV and the <u>further</u> execution of a Transaction End Use using said GFV.

The strikeout was not used in the next claim because it seemed too extensive.

Claim 5 (Changed) The method of claim 4 <u>further</u> using said GFV as a TEUQ.

Claim 6 (Unchanged) The method of claim one wherein a rate calculation involves a call to the exponential function.   ♠

Claim 7 (Unchanged) The method of claim one wherein the short term default free rate of interest is the exponential of a variable in the VAR in an accessible region of the state space.   ♠

Claim 8 (Unchanged) A computer encoded with a software program to compute a GFV by means of an essential RS-VAR.

Claim 9 (Changed) The computer of ~~the foregoing~~ claim 8 used to determine a quantity in a "transaction end use" or the execution of that "transaction end-use". ♠

Claim 10 (Cancelled) A physical object created by the use of the method of claim one. ♠

Claim 11 (Cancelled) The physical object of the foregoing claim where the object contains in computer readable form a Transaction End Use Quantity. ♠

Claim 12 to 16 cancelled.

Claim 17 The computer of claim 8 where the computer contains in computer readable form a Transaction End Use Quantity. ♠

Modified from original claim 12:

Claim 18 A <u>portfolio</u> wherein the TEU's creating, reporting or modifying said portfolio have a quantity determined using the method of claim one.

Original claim 13:

Claim 19 The portfolio of ~~the foregoing~~ claim 18 wherein a TEU creating, reporting or modifying said portfolio have a quantity determined using the method of claim one as further modified by the additional limitation that there are at least two regimes and at least one parameter relating to a variable in the RS-VAR used to calculate a rate and one parameter relating to a variable in the RS-VAR used to calculate an equity variable have values that are different in at least two regimes.   ♠

Claim 20 A financial product wherein the TEU's creating, reporting or modifying said portfolio have a quantity determined using the method of claim one.

Claim 21 The financial product of claim 20 wherein a TEU creating, reporting or modifying said portfolio have a quantity determined using the

method of claim one as further modified by the additional limitation that there are at least two regimes and at least one parameter relating to a variable in the RS-VAR used to calculate a rate and one parameter relating to a variable in the RS-VAR used to calculate an equity variable have values that are different in at least two regimes. ♠

The following two claims go after Claim 5.

Claim 22 The method of claim 4 wherein the internet is used. ♠

Claim 23 The method of claim 5 wherein the internet is used to transmit the TEUQ. ♠

Claim 24 A computer containing any data produced by the method of claim one.